Regions and 1x500 MW Mau HVDC back-to-back inter-regional link to connect Eastern and Northern regions. In addition to the HVDC back-to-back project various 200/400/800 KV transmission lines are under execution.

The renovation and modernisation programme (phase-I) for 34 thermal power stations aggregating to 13,585 MW was launched in September, 1984. Approximetely 87% of the activities have been completed. During the 8th Plan, under Phase-II of the R&M Programme 46 thermal power stations aggregating to 20581 MW at a cost of Rs. 1610 crores and 54 hydro electric projects aggregating to 9656 MW at an estimated cost of Rs. 1241 crores have been identified.

Conditions for Private Participation in Power Sector

6553. SHRI CHIMANBHAI MEHTA:
SHRI MOHD. MASUD KHAN:

Will the Minister of POWER be pleased to state:

(a) the reasons for not issuing global tenders for the construction of private power houses while electricity generated from these power houses is going to be transmitted by State Electricity Boards;

(b) on what basis and conditions multinational power house companies are erecting power houses in China and what is the price per unit charged over there;

(c) whether it is a fact that on the basis of minimum 16 per cent guaranteed return on foreign equity, entire cost would be covered by them in just six years while plant life is 5 to 6 times more, compared with the period of equity reimbursement; and

(d) whether above 16 per cent return of the equity is post-tax profit, without any encumberance and entirely repatriable?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P.V. RANGAYYA NAIDU): (a) Awarding power projects to private promoters is within the competence of the State Governments. It is for State Governments to decide the manner in which a Power generating project would be assigned to private companies.

(b) It is understood that People's Republic of China is offering a variety of incentives depending on the location of the projects being set up in the private sector. Some of the incentives are, upto 15% Internal rate of return on equity, exemption from or a reduction in import and export taxes, corporate income tax and withholding tax on repatriation of projects by promoters, lower land use fees etc. The price per unit charged in China for Private Power Projects is not available.

(c) No, Sir.

(d) For generating companies, GOI guidelines permit 16% post tax return on equity relatable to the generating units at 68.5% plant load factor, as a part of the fixed cost in tariff. Thus 16% RDE is linked to a level of performance.

Cost of Power Generation

6554. DR. NAUNIHAL SINGH : Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the averge cost per MW for the private

sector projects cleared recently by the Central Electricity authority in the areas of Gas-based, Coal-based and hydel based power generation differs in each case; and

(b) if so, what is the average cost per MW of power generated in each case, together with the reasons for the differential average costs per MW in each?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P.V. RANGAYYA NAIDU): (a) Yes, Sir.

(b) The cost per MW in respect of Hydel, coal and gas based power projects cleared by CEA recently is as detailed below:
(Rs. in Crs.)

Sl. No.	Type of Project	Cost per MW
1.	Hydro electric Projects	2.68 - 2.89
2.	Coal based thermal power proejets	3.03
3.	Gas based thermal power projects	3.51 - 3.82

The difference in cost per MW of hydel powr projects, coal and gas based thermal power plants is due to the difference in type of the project, type of fuel, unit size, type of equipment, civil and engineering aspects, as well as the nature of financing of the proejct, interest during construction etc.

Power Generation at Ramagundam, Kalpakkam and Neyveli

6555. SHRI V. GOPALSAMY: Will the Minister of POWER be pleased to state:

(a) the quantum of power produced by Ramagundam, Kalpakkam and Neyveli units this year;

(b) what is the criteria for distribution of power from these units;

(c) the quantum of pwoer supplied to each state this year;

(d) whether any complaint of overdrawing of power be any State has been received by Government;

(e) if so, the details thereof; and

(f) how many major incidents of power break-down took place in Southern region, togetherwith the details thereof and the steps taken to maintain power grid discipline?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P.V. RANGAYYA NAIDU): (a) The quantum of energy generated by Ramagundam STPS, Kalpakkam and Neyveli units during the year 1993-94 was 14593 Nillion Units (MU), 1389 MU and 9397 MU respectivley.

(b) The supply of power to each state in the Southern Region from the Central Sector i.e. Ramagundum STPS, Kalpakkam APS and Neyveli-II is being made in accordance with the Central Formula. Full out put of Neyveli TPS-I is allocated to Tamil Nadu. The allocation in MW & in percentage (%) from other stations is as under: